FOREIGN CROPS AND MARKETS.

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Feature of Issue: NORTH EUROPEAN AGRICULTURAL MARKETS

FRENCH WINTER WHEAT ACREAGE DECREASED

The French winter wheat acreage for the 1926 crop is estimated to be 12,797,000 acres compared with 13,330,000 acres the preliminary estimate for the 1926 crop according to a cablegram received from the International Institute of Agriculture at Rome. France is the largest wheat producer in Europe outside of Russia and the winter wheat area of France accounts for more than 95 per cent of the total French acreage. The average yield per acre of wheat in France during the past five years has been about 20 bushels. Spain and Italy, which are also large winter wheat countries, have yields averaging only 13 bushels and 15 bushels respectively. This reduction of 4 per cent in French wheat areas nearly offsets increases in other countries, making a net decrease from 1925 in 8 countries of .8 per cent. See page 102.

CURRENT MARKET CONDITIONS

Hog prices in Germany declined over $2.00 per 100 pounds during the week of January 20, but lard remained firm. Bacon in British markets was steady, with quotations on American and Canadian offerings showing a strengthening tendency. Apples at Liverpool were steady with demand light. Butter in leading European markets was steady, with quotations still well under New York. See pages 106, 108, 110, and 121.

AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE

The outlook at the close of 1925 for marketing American agricultural products in northern Europe in the near future was not very favorable. The situation in Germany, an important market for American products, is at present not very optimistic. The current depression in that country has had a more or less adverse effect upon countries normally in close commercial relations with Germany. See article on page 111.

CROP PROSPECTS

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CEREAL CROPS

Argentina Corn Reports Favorable

Argentina's corn acreage for the 1925-26 crop is expected to be larger than last season and the condition is excellent, according to cabled information received from the International Institute of Agriculture at Rome. The corn acreage planted for the 1924-25 crop was 9,162,000 acres but only 7,195,000 acres or slightly more than three-fourths of this area were harvested. The estimate of corn production in 1924-25 was 186,298,000 bushels.

Moderate temperatures with rather light rainfall during the week ending January 18 are reported in the corn regions of Argentina, according to cabled information received by the United States Weather Bureau. The period since the middle of December has been persistently warm, four of the five weeks having temperatures averaging 3 degrees above normal. Since the heavy rainfall of the middle of December precipitation in the corn regions has been rather light, although well distributed through this period of five weeks, no week having less than 0.4 inches. The total amount has been only 60 per cent of normal. Small grain threshing has begun and wheat harvest results are reported to be fairly satisfactory. The Argentine Government considers that this confirms their forecast of December 15. The heads are well filled but the grain is light.

Bread Grain Acreage Reported for 1926

The following table summarizes estimates of area sown to bread grains for the 1926 crop with comparisons for preceeding years. For the United States, Canada, France and Czechoslovakia the comparisons of wheat acreage for the earlier years represent the seedings for the winter crop. For England and Wales, Italy, Morocco, Bulgaria, and Finland where most of the wheat crop is winter wheat, and where abandonment is of little significance, estimates of earlier years given for comparison are the final estimates of the total crop.

BREAD GRAINS: Acreage average 1909-13, annual 1924-1926

Crop and country	1909-13	1924	1925	1926 Preliminary	Relation of 1926 crop to 1925: Decrease	Relation of 1926 crop to 1925: Increase
WHEAT	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent	Per cent
Canada	1,053	809	828	862		4.1
United States	33,594	39,749	39,956	39,540	1.0	
England and Wales	1,787	1,545	1,499	b/1,499		
France	15,320	c/13,463	13,330	12,797	4.0	
Italy	11,793	11,284	11,673	11,985		2.7
Czechoslovakia	1,546	1,327	1,346	1,369		1.7
Bulgaria	2,409	2,462	2,537	2,503	1.3	
Finland	8	37	37	37		
Morocco	1,700	2,461	2,545	3,582		1.5
Total 8 countries	69,210	73,137	73,751	73,174	.8	

Continued.

C R O P P R O S P E C T S, C O N T ' D.

BREAD GRAINS: Acreage average 1909-13, annual 1924-1926, Cont'd.

Crop and country	1909-13	1924	1925	1926 Preliminary	Relation of 1926 crop to 1925: Decrease	Increase
RYE	1,000 acres	1,000 acres	1,000 acres	1,000 acres	Per cent	Per cent
Canada	117	891	852	688	19.2	
United States ...	2,236	4,173	4,088	3,426	16.2	
Czechoslovakia ..	2,605	2,070	2,093	2,028	3.1	
Bulgaria	542	414	453	392	13.5	
Latvia	888	658	659	582	11.7	
Finland	589	564	568	568		
Total 6 countries	6,977	8,770	8,713	7,684	11.8	

a/ where changes in territory have occurred as a result of the world war estimates have been adjusted to correspond with the area within post-war boundaries.
b/ Acreage reported to be about the same as last year. c/ May estimates of area for harvest.

The area sown to winter rye in France is 2,151,000 acres against 2,145,000 for the 1925 crop; barley 441,000 compared with 444,000 acres; oats 2,110,000 acres against 2,067,000.

The barley acreage of Morocco is placed at 3,707,000 acres against 3,361,000 acres sown for the 1925 crop. The acreage sown to oats in Morocco is placed at 49,000 acres against 56,000 acres last season. The acreage sown to winter oats in Bulgaria is 48,000 acres against 81,000 acres sown for the 1925 crop.

CEREAL CROPS: Production 1924-1925

Crop and country	1924	1925	Decrease from 1924	Increase over 1924
WHEAT	1,000 bushels	1,000 bushels	Per cent	Per cent
Total, 37 countries	3,021,243	3,286,947		8.8
Latvia	1,582	2,168		37.0
Total, 38 countries	3,022,825	3,289,115		8.8
World total excluding Russia	3,091,000			
RYE				
Total, 24 countries	715,380	987,565		38.0
Greece	1,020	966	5.3	
Latvia	7,849	12,401		58.0
Total, 26 countries	724,249	1,000,932		38.2
World total excluding Russia	728,000			
BARLEY				
Total, 34 countries	1,037,613	1,240,388		19.5
Latvia	7,437	8,175		9.9
Total, 35 countries.........	1,045,050	1,248,563		19.5
World total excluding Russia	1,202,000	1,248,563		
OATS				
Total, 31 countries	3,166,862	3,440,723		8.6
Germany	389,525	384,740	1.2	
Latvia	18,670	20,944		12.2
Total, 33 countries	3,575,057	3,846,407		7.6
World total excluding Russia	3,702,000			
CORN				
Total, 16 countries	2,929,798	3,517,548		20.1

C R O P P R O S P E C T S, C O N T ' D.

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RICE

Poor Crop in China

Rice production in China for the year 1925 is likely to be considerably below normal according to reports received from Consular officers stationed in the principal rice producing provinces, i.e. Kiangsu, Hunan, Hupeh, Anhwei, Kiangsi, and Szechwan, reported to produce approximately two thirds of the Chinese rice crop. A normal crop in China is said to be in the neighborhood of 30,000,000 short tons of cleaned rice. The 1924 crop was reported as larger than the 25,000,000 short tons produced in 1923, as estimated by a prominent Chinese authority.

Rice production in the Nanking consular district is reported as below normal by Vice Consul Burke. In a number of localities the rice harvest was only 10 per cent of that of normal years. This district includes the whole of the province of Anhwei and part of the province of Kiangsu. These provinces, together with Hunan, produce normally in the neighborhood of 40 per cent of the rice crop of China as reported previously in Foreign Crops and Markets. A long period of drought in Hunan province has resulted in a rice famine, the rich rice producing area of the Siang River reporting only a 50 per cent crop while other parts of the province report almost negligible returns. In Kiangsi the crop is reported as 40 per cent of normal, the exporting of rice from this province being prohibited. Last year there was a heavy export to other Chinese provinces.

Chosen Expects To Increase Rice Production

Proposed Japanese activities in Chosen for the next 12 years include increasing the area devoted to rice by 850,000 acres, according to Consul General Miller at Seoul. Rice areas in Chosen have been reported for 1924 at 3,653,000 acres, of which only about 1,000,000 were adequately watered. Production on the new and old lands is expected to exceed by 1,260,000 short tons the 2,335,000 short tons reported for 1925 against 2,050,000 short tons in 1924. Since the expected increase would seem too large for the stipulated new acreage, the increased production is taken to include increased yields on old lands receiving more water and fertilizer under the improvement scheme. Resulting exports to Japan are expected to reach 1,570,000 short tons annually. The project includes the utilization of half of the waste land thought to be potentially productive; lands devoted to other crops or lands now only partially watered and thought capable of higher production through proper irrigation and fertilization.

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SUGAR

Prospects for the coming sugar crop in East Java, harvesting of which begins in June, are not very favorable due to the severe drought followed by intense heat during 1925, according to a report from Consul Rollin R. Winslow dated November 28, 1925. The present drought is said to be the most severe that this part of Java has experienced within the last 50 years. The growing sugar cane is very much stunted even in those sections where there is still a fair amount of water available for irrigation, while in sections

CROP PROSPECTS, CONT'D.

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where the water supply has already failed the situation is becoming alarming. The "Weekbericht" a weekly publication of the Commercial Association of Soerabaya, dated November 14, 1925, states that in spite of the indicated increase in acreage of 1.3 per cent over last year, the prevailing dry spell makes it certain that the total sugar crop will be less than the crop just harvested, which was placed at 2,552,000 short tons.

The favorable weather conditions for harvesting in Cuba have been interrupted by heavy showers throughout the entire island, according to a cabled report of January 11 from Havana, to a trade paper. It is reported that some of the factories which had expected to begin grinding during the week have postponed opening for this season. On January 11 there were 142 centrals grinding as compared with 145 last year and 147 at the same date in 1924.

SUGAR: Production of cane and beet sugar in countries reporting for 1925-26

Country	1924-25	1925-26	Increase over 1924-25
BEET SUGAR	Short tons	Short tons	Per cent
Total 13 European countries and United States	7,918,494	7,942,618	.3
Estimated world total beet sugar	8,886,371		
CANE SUGAR			
Total 10 countries previously reported	10,373,102	11,254,804	8.5
Estimated world total cane sugar	17,256,565		

Official sources and International Institute of Agriculture except as otherwise stated.

COTTON

Total ginnings in the Mexicali district of Mexico up to and including December 31, 1925 were about 60,000 bales, according to Consul Bohr. It is estimated that less than 10,000 bales remained to be picked on January 1, 1926 and that all of this cotton will be of a lower grade than that which was gathered before the rains set in during the latter part of December. The rain, which fell for several days during this period, while not of very great volume, was sufficient to keep the fields muddy and to deteriorate the grade of cotton. In Brazil during the first ten days of December the weather continued favorable to growing in the southern and central states and to picking and planting in Bahia and the northern states. The crops of Sao Paulo, Minas Geraes, and the other central states are good as a whole. Picking in many parts of the north has been brought to a close, with disappointing results. The condition of the crop in Argentina is good.

CROP PROSPECTS, CONT'D.

Prospects are good in Haiti, according to the Pan American Union Bulletin for January 1926.

COTTON: Area 1924-25 and 1925-26

Country	1924-25	1925-26	Decrease from 1924-25	Increase over 1924-25
Area	1,000 acres	1,000 acres	Per cent	Per cent
Regions previously reporting and unchanged a/	70,252	77,157		8.4
Mexico	520	302	41.9	
Turkey	396	563		42.1
Total above regions	71,168	78,032		9.6
Estimated world total	79,500			

a/ Includes United States, Russia, Chosen, Egypt, Gezira (Anglo-Egyptian Sudan) Italy, Bulgaria, Syria, Uganda, and India.

Egypt to Restrict Cotton Acreage

A Royal decree restricting cotton acreage in Egypt was promulgated on December 19, 1925, according to Consul Geist at Alexandria. The decree prohibits all persons to cultivate in cotton during the year 1926 more than one third of the land possessed. Certain exemptions are permitted but in case cotton is planted on forbidden areas the plants will be uprooted by government officers and the owner subject to a mild penalty. It is estimated that the reduction in area next year will be about 180,000 acres. Commercial houses claim, however, that little reduction may be expected next year as a result of the law since some planting was done before the law went into effect and since it is too late to shift to other crops.

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OILSEEDS

Harvesting of the flax crop in the northern provinces of Argentina is completed, according to a cabled report from the International Institute of Agriculture. A fairly good yield is indicated although slight damage is reported in the Pampa. The quality of the flaxseed is said to be very good.

Reports of the 1925 peanut crop of Tientsin, China, have been favorable as to quantity, according to Consul Woodward. Early receipts, however, were not of particularly good quality with reference to the color of the shells. Late rains appear to have given considerable proportion of the shells a rusty appearance. Receipts of peanuts in the shell at Tientsin totaled 2,517,200

CROP PROSPECTS, CONT'D.

pounds for September and October of 1925 compared with 1,140,000 pounds for the same months of 1924.

The crop in the district surrounding Chefoo, another important export point, is said to be both plentiful and of good quality, reports Consul Putnam of that city. At present, however, trade is greatly hindered by lack of sufficient means of transportation due to political conditions. An estimate by Consul Putnam of the known crop of the district for 1924 is placed at 86,000 short tons (172 million pounds) calculated on the basis of 100 pounds of unshelled nuts for 60 pounds of kernels and 100 pounds of kernels for 35 pounds of oil. This does not include local consumption or peanuts and oil exported through ports outside of the district.

According to Trade Commissioner Smiley in a report received by the Department of Commerce, an average estimate of total annual production in China, including mernels, nuts in shell and peanut cake, is placed at 900,000 short tons (1,800 million pounds) of which about 30 per cent, 300,000 tons (600 million pounds) are exported. The Consular figure for the 1924 crop in terms of unshelled nuts was between 650,000 and 700,000 short tons (1,300 and 1,400 million pounds) and that for 1923 was 672,000 tons (1,344 million pounds).

The 1925 peanut crop of Spain, harvesting of which was finished the end of October, turned out to be much smaller than had been expected according to Consul Frank Henry at Barcelona. The quality was only fair. The peanut area planted in Argentina this year is expected to be about the same as that of last season according to a cabled report from the International Institute of Agriculture.

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LONDON BUTTER MARKET STEADY AT PRICES WELL UNDER NEW YORK.

Butter prices in London on January 22 were practically unchanged from those prevailing a week earlier, ranging from the quivalent of 36 cents per pound on Australian to 39.3 cents on Danish. The Copenhagen official quotation was unchanged at 324 kroner, equivalent to 36 1/2 cents per pound. Best quality butter in Berlin showed a definite rise of somewhat more than two cents to 35.7 cents per pound. The greater strength of the German market was reflected in the rise in Danish and Dutch butter more than in any other description on the London market. With 92 score butter in New York quoted at 45 cents, the margin over Copenhagen and London in favor of New York is still from 6 to 9 cents. At the same time last year, the German demand had contributed to such relatively high prices on Danish as to leave a margin in favor of London and Copenhagen over New York. A detailed statement of prices in recent weeks and a year ago in Copenhagen, Berlin, and London as cabled by American Agricultural Commissioners with New York quotations for comparison appears on page 121.

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L I V E S T O C K, M E A T A N D W O O L

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Cattle and Beef

INCREASED SLAUGHTER IN GERMANY: Slaughtering at the 36 most important slaughter points in Germany for the 11 months January - November 1925 indicate an increased supply of home produced meat over the same period of the three preceding years. Cattle slaughterings increased 11 per cent compared with the same period of 1924; calves 10 per cent; sheep 34 per cent and hogs 21 per cent. Details appear on page 118.

STOCKYARD RECEIPTS GREATER IN CANADA: The year 1925 was one of the most favorable periods in the annals of the western Canada livestock industry, states the Manitoba Free Press of January 9, 1926. With lower costs of production, values have been on a more profitable basis than for many years. The general outlook of the livestock trade is said to be more hopeful than it has been for a considerable period. Receipts of livestock at the principal western markets in 1925 were greater than at any time during the years 1922 to 1924 except in the case of sheep and lambs. See details on page 119.

LIVESTOCK CONDITIONS IN BRAZIL: Stock raising conditions in the important regions of southern and central Brazil are promising, states Consul General A. Gaulin at Rio de Janeiro. Pastures are normal and cattle generally up to standard in Rio Grande do Sul. In the northern states, however, continued droughts have injured pastures and retarded the growth of stock. Slaughtering has suffered somewhat from the curtailment of consumption occasioned by the abnormally high price of meat.

Hogs and Pork

INCREASED PIG CURING IN IRELAND: Of the total number of pigs cured by Irish bacon curers and exported alive from Ireland during the fifty weeks from January 1 to December 17, 1925, 94 per cent were cured in Ireland against 86 per cent in 1924 for the same period and only 75 per cent in 1923. The total number bought for curing and exported alive during this period of 1925 showed a decrease of 25 per cent below the corresponding period of 1924. See page 120 for details.

BRITISH BACON MARKET STEADY: Prices remained firm in the British bacon market for the week ending January 20, according to E. A. Foley, American Agricultural Commissioner at London. Quotations on American and Canadian supplies showed a strengthening tendency. See page 121.

GERMAN HOG PRICES DECLINE: Hogs at Berlin dropped $2.27 per 100 pounds to $16.21 during the week of January 21, according to W. A. Schoenfeld, Berlin representative of the Department of Agriculture. Hog prices have not been as low as that since June, 1925. Receipts at fourteen markets showed little change. Lard prices remained firm. See page 121.

L I V E S T O C K, M E A T A N D W O O L, C O N T ' D.

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Sheep and Wool

EGYPT SENDS MORE WOOL TO THE UNITED STATES: Exports of Egyptian wool to the United States for the first nine months of 1925 reached 2,174,000 pounds against 1,357,000 pounds for the same period of 1924, according to R. A. May, American Trade Commissioner at Alexandria. Total exports, however, fell to 3,705,000 pounds for the 1925 period from 3,711,000 for 1924. Exports to the United Kingdom also decreased, to 640,000 pounds from 1,336,000 pounds for the 1924 period. Exporters appear to be giving special attention to more careful preparation of shipments entering trade with the United States.

LARGE WOOL STOCKS AT TIENTSIN: November 1925 wool stocks at Tientsin, the leading Chinese wool exporting point, were conservatively estimated at 8,000,000 pounds, according to G. Woodward, American Vice Consul at that port. Arrivals from the interior up to that time were greater than exports, with consequent accumulations. Holders are apparently maintaining prices firmly above foreign market, and business is described as difficult.

LONDON COLONIAL WOOL SALES: The first sale of the first series of Colonial Wool Sales in London for 1926 opened January 19 with a generally weaker tone, according to a cable from Agricultural Commissioner Foley at London. Germany and Yorkshire were the chief buyers. American and French buyers were quiet. The prices reported were slightly higher for fine merinos, but lower for 60's and crossbreds. No 56's, 50's or 40's were offered on the first day of the sale.

The following tabulation gives opening rates for the present series compared with closing rates on the last series in 1925:

Grade	Closing rates Dec. 17, 1925.	Opening rates Jan. 19, 1926.
	Cents per pound	Cents per pound
70's	109	113
64's	97-101	101
60's	93	89
56's	73	--
50's	55	--
46's	46	45
44's	42	41
40's	40	--

L I V E S T O C K, M E A T A N D W O O L, C O N T ' D.

WOOL CLIP IN THE UNITED KINGDOM: The 1925 wool clip in the United Kingdom is estimated by the Yorkshire Observer at 109,853,000 pounds compared with their estimate of 104,668,000 the preceding year. This estimate is exclusive of the Isle of Man and Channel Islands. The official estimate for 1924 was 106,300,000 pounds. The Wool Record and Textile World's estimate for 1925 is 109,754,000 pounds compared

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F R U I T, V E G E T A B L E S A N D N U T S

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THE BRITISH APPLE MARKET: Supplies of both barreled and boxed apples on the Liverpool auction of Wednesday, January 20, were light to moderate with demand generally light except for Virginia, York Imperials and Oregon Yellow Newtowns for which bidding was good to active, according to a cable from Mr. Edwin Smith, the Department's fruit specialist in Europe. Prices show little change from those quoted last week except for York Imperials which sold from 30 to 50 cents a barrel higher. See page 120.

PARIS SLOW TO TAKE AMERICAN APPLES: There is a potential market for American apples in Paris, but its development will take time, according to Edwin Smith, the department's fruit specialist in Europe. Domestic French apples are sold at either very low or very high levels, leaving unfilled a large place for good stock at moderate prices. French cooking apples sell at \$0.85 to \$2.00 per 100 pounds, with choice dessert fruit selling at \$3.35 to \$6.75 per 100 pounds.

To be popular in Paris, a dessert apple must be absolutely free from bruises of any sort. So far even well-packed American boxes have fallen short there. Adverse exchange rates and interest in selling domestic goods are the other two large factors in the situation. There is, however, little evidence to support the argument that French supplies are adequate. Prices and displays nullify that. The real problem from the long time viewpoint is that of transporting the fruit without damage. Direct steamer to a continental port and carlot shipments from there to Paris appears to minimize the danger of damage from bad handling under present packing conditions.

AUSTRALIAN CANNED FRUIT STRICTLY REGULATED: Australian fruit canned for export must submit to more regid Government control, according to trade notes forwarded by E. A. Foley, American Agricultural Commissioner at London. The fruit must be graded and packed under the supervision of Australian Customs Department Inspectors.

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AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE [a]

The conditions in northern Continental European countries at the end of the year were not very favorable to the marketing of the products of American agriculture at present or in the near future, according to a recent report received from Agricultural Commissioner Schoenfeld in Berlin. German industry is greatly depressed and German agriculture is suffering from low prices for agricultural products. The depression in Germany may be expected to affect more or less seriously conditions in the Scandinavian countries and the Netherlands. The new German tariff has disturbed the commerce of some of those countries. Danish exports, particularly of dairy products, have suffered and strenuous efforts are being made to effect satisfactory trade agreements so as to secure a reduction in the tariff on Danish products. Business in Sweden and the Netherlands has not yet been materially affected by the German depression, but a continuation of that depression may have very material effects in those countries.

The German Situation

Mr. Schoenfeld believes that Germany is entering the critical phase of the present depression. The critical business situation is reflected in the constantly growing unemployment. The end of the year is usually a period of some unemployment but the end of the past year has witnessed an unusually rapid increase in the number of unemployed persons. The number receiving unemployment insurance increased from 195,000 in June 1925 to over 471,000 on November 15. The November figure is the highest since March and is slightly greater than the number for November last year. Later reports from Germany indicate that unemployment has continued to increase. A cable to the Department of Commerce reports that the number receiving unemployment insurance increased to 1,057,000 on December 15, as compared with 576,000 last year. According to the same cable, "the total number of unemployed is now nearly 2,500,000 and it is reliably estimated that less than two-thirds of all German labor is now working full time."

The tight credit situation and high interest rates are important factors in the present situation. There has been a great increase in the number of bankruptcies and it seems very difficult both for agricultural producers and for industrial concerns to secure operating capital. It is hoped that the lowering of the discount rate of the Reichsbank on January 12 may have a beneficial influence upon the situation. Absolute bankruptcies in Germany rose from 1164 for all types of business in October to 1343 in November - a rise of 21 per cent in one month. During the same period, receiverships rose from 633 to 967, an increase of 36 per cent. Indications point toward a still more marked increase for both bankruptcies and receiverships during December.

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a/ Report for the period November 6, 1925, to December 15, 1925, submitted by W. A. Schoenfeld, Agricultural Commissioner of Northern Europe and E. C. Anderson, Jr. Agricultural Statistician. This is supplemented by cabled information received through the Department of Commerce.

AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE, CONT'D.

The scarcity of operating capital may affect next year's agricultural production. The demand thus far for nitrogenous fertilizer has not been as great for the coming year as has been the case in previous years. Last year, the total consumption of nitrogenous prepared fertilizer amounted to 335,000 long tons and orders were in the hands of the dealers well in advance of the planting season. The German Stickstoff Syndikat (Nitrogen Syndicate) is offering to extend credits on a basis of three month acceptances. Obviously, this is not a sufficient time for the German farmer to make his investment in fertilizer pay for itself. Actually, his credit must be of at least 10 months' duration. It has been reported that the State of Prussia, through the instrumentality of the Central Cooperative Bank, liberated funds amounting to ten million marks for use in making fertilizer loans. Whether some of the other German States will follow the reported example of the State of Prussia, has not yet been determined.

Another important factor in the situation, according to Mr. Schoenfeld, is the change in the relation between wholesale and retail prices. Wholesale prices have fallen since early in the year. The wholesale price index has fallen from 140 (1913 = 100) for the week of January 28 to 121 for December 16. The cost of living index, on the other hand, rose from 135 in May to 141 in November.1/ Retail prices, excepting food prices, have generally remained stationary or increased during the year. It seems doubtful, according to Mr. Schoenfeld, that the present retail price level can be maintained after the first of the year with the purchasing power of consumers so much reduced. There must be a readjustment of the relation of retail prices to wholesale prices before there can be any material improvement in the situation.

The position of German agriculture is important both as a factor in the market for the products of German manufacture made out of our raw materials and as a competitor in supplying food products to the industrial cities. Good crops in Germany have had the effect of reducing the demand for our food products. In many cases the crops have been so good that they have greatly depressed the prices that producers received, thereby reducing the purchasing power of the farmers. Producers in those areas that depend primarily upon cereal grains for their farm incomes particularly are suffering from the low prices and the industrial depression. The situation in the areas having large farms, according to Mr. Schoenfeld, is as unsatisfactory as that in our northwest wheat producing states in the winter and spring of 1922-23. This situation is so critical that the German Minister of Food and Agriculture is proposing to revive the Grain Corporation which operated during and for a time after the war to stabilize prices of cereal grains in Germany.

There is difference of opinion as to how long the present depression will last. Some of the best informed business men and economists believe that March will see a change for the better, while others believe that the turning point will not come before early summer.

1/ This is, however, below the peak of 145 reached in August.

AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE, CONT'D.

Market for Cotton in Germany and Poland

What appeared to the casual observer to be a revival of the textile industry in Germany several weeks ago, was nothing more or less than the filling of accumulated small orders for the cheaper grades of goods. Here and there, a shortage of enough orders to enable full-time operation is making itself felt, even in some of the plants that have heretofore seemed well supplied with orders. Competition with surrounding inflation countries practically precludes the selling of German yarns and woven goods on the outside markets. In these inflation countries the raw material cost is the only item that must be paid for on a gold basis. Labor, taxes, and profits can be met with inflated currencies.

Complaint is heard that German textile mills cannot operate efficiently because of the lack of fluid capital at reasonable rates of interest. Money if available at all must be bargained for at unusually high interest rates (14% to 18%) and then only can be borrowed for a short period of time. In fact the time is so short that in many cases, the borrower cannot manufacture and sell his commodity and make collections before notes become due. Many mills are forced to meet this situation by the restriction of production with the consequent decrease of profit, or loss of market.

The present depressed situation is forcing the cleaning up of stocks, the junking of obsolete plants and equipment, the consolidation of competitive plants into economic units, and the systemization of production and selling. All these factors, aided by the gradual infiltration of outside capital for use in immediate productive undertakings only, with the ultimate lowering of interest rates, will eventually bring about a healthful state in the industry. The demand for American cotton by German mills should, during the ensuing months, make itself felt mainly in the lower grades and shorter staple lengths of cotton.

The demand for textile raw materials on the Polish market is practically non-existent. In spite of this condition, the textile mills in the Lodz area that still remain intact, are operating on a part-time basis and are endeavoring to market some of their products in Russia and in Rumania.

The dismantling of the Lodz mills is continuing. The shipment of the machinery to Rumania has ceased because of a recent prohibitory measure promulgated by the Rumanian Government against the equipping of plants with used, foreign machinery. As a result of this restriction, French interests have been in the market purchasing some of this machinery at from 20% to 25% of its normal value, and have shipped this equipment to France.

The whole situation has so alarmed the workers that a petition has been filed with the Polish Government, asking for export prohibition of used machinery and parts of dismantled plants. Some of the textile concerns in Poland are contemplating the moving of their plants to Russia where there is a large potential market for textile products.

AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE, CONT'D.

German Butter Market

As an indication of the ability of the German dairyman to come back as an active element on the butter markets of Germany, large quantities of domestic butter are being offered. Naturally, Danish butter has suffered from this competition. The whole effect has been to depress rapidly the prices in the large butter markets in Germany. For example in the middle of November the price of first class butter in Berlin was 43.22 cents per pound and a month later, 36.74 cents per pound. The price continued to decline, reaching 31.33 cents on January 6, 1926 but rallied to 35.66 by January 20. There is, however, a large potential demand for butter in Germany. This is not converted into an active demand because of the low buying power of the German consumer. With increasing unemployment the German consumer is turning more and more to butter substitutes.

The Netherlands

The situation in the Netherlands is characterized by Mr. Schoenfeld as being good. That country has negotiated satisfactory trade agreements with Germany for the sale of her surplus agricultural products. It is to be expected, however, that the Netherlands will be affected in time by the depression in Germany.

The oleomargarine industry in Holland is making a marked growth. The following official Netherlands statistical table is significant:

Year	Production	Domestic consumption	Export shipments
	1,000 lbs.	1,000 lbs.	1,000 lbs.
1913	128,799	---	---
1921	213,859	95,311	122,221
1922	193,795	81,332	113,603
1923	237,548	94,205	142,497
1924	288,302	113,810	174,781

According to the official statistics the yearly per capita consumption of oleomargarine for the Netherlands increased from 12.79 pounds in 1921 to 13.01 pounds in 1924. For the same period, the per capita consumption of butter in the Netherlands decreased from 13.89 pounds in 1921 to 13.23 pounds in 1924, although during the years 1922 and 1923 the per capita consumption of butter had been 14.55 pounds and 14.99 pounds respectively.

Denmark

German import tariffs have been felt in Denmark perhaps more than in any other country. 1/ Efforts are being made by the Danish government to effect satisfactory trade agreements with Germany so that she may recover

1/ Except Poland.

AGRICULTURAL MARKET OUTLOOK IN NORTHERN EUROPE, CONT'D.

that market. Denmark, however, finds an outlet for most of her products in England. Denmark has been experiencing some depression in business but there now appear to be some signs of recovery. Her exports of bacon to England have declined somewhat but prices have been higher. The price of butter has declined but feed costs have been considerably reduced. Wholesale prices have fallen markedly since the beginning of the year.

Sweden

Of all the northern European countries economic conditions in Sweden seem to be most optimistic. Her harvests have been good, employment conditions are reasonably satisfactory and exchange rates are stable. German demand for Swedish ore has been satisfactory, and foreign purchases of Swedish specialties have been improving. Swedish conditions are likely to be affected somewhat, however, by the situation in Germany.

Norway

There is considerable unemployment in Norway. Wholesale prices have declined materially since March.

Poland

Unemployment has increased materially in Poland. The registered unemployed have increased in a short time from 10,000 to more than 400,000. This increase has been due to the shortage of orders for raw materials and finished products and a scarcity of operating capital.

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GERMAN FRUIT IMPORTS DECLINE

Preliminary figures for the period July - December 1925 show a decline in imports of fruit into Germany as compared with the same period of 1924. The apple imports of 7,737,000 bushels were a drop of 26 per cent, although United States supplies made a slight gain. Orange imports dropped 24 per cent largely it appeared because of the temporary tariff difficulty with Spain. Raisins also fell off somewhat. Lemons, prunes and currants, however, showed increases, with the United States giving way to Yugoslavia as to prune supplies. Receipts of most fruits for December 1925 exceeded those of December 1924. Detailed figures, by months and countries, will appear in the issue for February 1 of Foreign Crops and Markets.

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HOGS AND PORK PRODUCTS: Indices of foreign supplies, demand and price.

Country and Item	Unit	Nov. 1909-13 Average	Dec. 1909-13 Average	Dec. 1924	Nov. 1925	Dec. 1925
United Kingdom:						
Production -						
Fat pigs at representative English markets..	Thousands			71	45	49
Pigs bought for curing in Ireland...........	"	a/ 132	a/ 103	80	87	69
Supplies of Brit. & Irish pork at London Central Markets.......	Thousand pounds			4,294	2,081	2,085
Trade -						
Imports -						
Ham and bacon.........	"	46,436	50,645	83,166	71,872	c/95,200
Lard.................	"	13,277	16,952	21,750	19,654	c/21,403
Exports -						
Bacon, hams & shoulders from U.S. to U. K.	"	21,248	23,126	23,201	22,608	27,371
Lard from U. S. to U. K.	"	12,436	17,162	17,592	15,222	19,710
Stocks -						
Hams, bacon & shoulders Liverpool end of month	Thousand boxes			13	3	7
Lard, refined, Liverpool, end of month....	Thousand pounds			5,387	7,457	3,916
Prices at Liverpool -	Dollars per 100 lbs.					
Wiltshire sides (Amer.)				19.85	24.49	25.22
Wiltshire sides (Can.)	"	14.02	13.34	21.05	25.57	26.20
Wiltshire sides (Dan.)	"	14.80	14.10	24.47	28.08	28.79
Lard, Prime Steam Western...............	"	12.50	12.10	18.09	17.60	d/ 16.67
Denmark:						
Production -						
Pigs killed in export slaughter houses......	Thousands	a/ 206	a/ 229	329		
Trade -						
Exports of bacon.......	Thousand pounds	b/ 23,960	b/ 25,869	33,873		

a/ 1911 - 1914 average. b/ 1913. c/ Preliminary by cable. d/ Last half of month.

Continued -

HOGS AND PORK PRODUCTS: Indices of foreign supplies, demand and price, cont'd.

Country and Item	Unit	Nov. 1909-13 Average	Dec. 1909-13 Average	Dec. 1924	Nov. 1925	Dec. 1925
Germany:						
Production -						
Receipt of hogs at 14 cities	Thousands	312	273	222	215	209
Slaughter of hogs at 36 centers	"	368	363	265	272	269
Trade -						
Imports -						
Bacon	Thousand pounds	255	331	3,214	959	d/ 1,323
Lard	"	17,550	17,616	21,242	5,336	d/ 12,125
Exports -						
Bacon to Germany, Belgium & Netherlands from U. S. b/	"	777	907	1,765	1,926	3,267
Lard to Germany, Belgium & Netherlands from U. S.	"	14,316	17,778	34,411	9,001	28,015
Prices -	Dollars per 100 lbs.					
Lard, Hamburg				13.60	18.16	17.11
Margarine, Berlin	"			13.29	13.94	13.94
Hogs, live weight, Berlin	"	12.05	11.63	15.30	19.14	18.04
Potatoes, feeding, Berlin	"	.31	.35	.48	.29	e/ .28
Barley, feeding, Leipzig	"	1.68	1.70	2.48	1.97	e/ 1.97
United States:						
Production -						
Inspected slaughter	Thousands	3,016	3,369	6,600	3,646	4,533
Trade -						
Exports of bacon, hams and shoulders	Thousand pounds	26,438	29,281	33,788	31,693	40,277
Exports of lard	"	34,986	43,589	76,803	39,979	68,840
Stocks-						
Lard in cold storage end of month	"	c/ 39,131	c/ 53,524	61,049	33,710	d/ 42,955
Prices -	Dollars per 100 lbs.					
Hogs, Chicago	100 lbs.	7.43	7.50	9.38	11.28	10.97
Lard, prime, steam, Chicago	"	10.92	10.71	18.00	18.50	16.67

a/ 1913. b/ Includes Cumberland Sides. c/ 1919-1923 average. d/ Preliminary.
e/ First three weeks.

AUSTRALIA REMOVES QUARANTINE ON COTTONSEED

The quarantine regulation issued in January 1924 prohibiting the importation of cottonseed and lint into Australia was repealed on November 26, 1925, by the Minister of Health, according to Vice Consul Coates at Melbourne. Cottonseed may now be imported into Australia under the following conditions:

1. That the permission of the Minister to import the seed shall first be obtained.

2. That cotton seed shall be landed only at the port of Brisbane.

3. That cotton seed on arrival shall be disinfected by heat or such other method as may be ordered by the Chief Quarantine Officer, and shall, after being planted, remain in quarantine with its product until released by the Chief Quarantine Officer, during which period it shall be subject to supervision by Quarantine Officers or by officers authorized for the purpose by the Director-General of Health.

4. That imported raw cotton shall be landed only at the port of Sydney, and shall before being released from quarantine undergo disinfection either by heat or by hydro-cyanic acid gas or by such other method as may be ordered by the Chief Quarantine Officer.

Provided that the Minister may permit the importation into Australia of cotton seed for the purpose of crushing into oil and meal subject to any conditions which he may think fit to impose.

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GERMANY: Slaughterings at the 36 most important slaughter points 11 months January - November 1922 - 1925

Classification	Eleven months January - November			
	1922	1923	1924	1925
	Number	Number	Number	Number
Cattle	684,018	440,681	646,856	717,414
Calves	832,260	622,313	999,220	1,103,324
Sheep	736,992	438,958	736,790	989,865
Hogs	1,543,386	1,094,815	2,412,833	2,912,391

Deutscher Reichsanzeiger.

GRAINS: Exports from the United States, July 1-Jan. 16, 1925 and 1926
PORK: Exports from the United States, July 1-Jan. 16, 1925 and 1926

Commodity	July 1, '24-Jan. 17, 1925	July 1, '25-Jan. 16, 1926 a/	Week ending Dec. 28, 1925	Week ending Jan. 2, 1926	Week ending Jan. 9, 1926	Week ending Jan. 16, 1926
GRAINS:	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels	1,000 bushels
Wheat	150,227	37,626	b/ 507	b/ 499	b/ 679	b/ 1,139
Wheat flour	c/ 40,368	c/ 25,578	---	---	783	428
Rye	27,759	6,149	17	34	28	0
Corn	4,135	11,710	937	1,037	1,536	1,082
Oats	3,987	22,945	34	225	125	249
Barley	15,912	22,361	157	35	36	175
	July 1, '24-Jan. 17, 1925	July 1, '25-Jan. 16, 1926 a/				
PORK:	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds
Hams & shoulders, inc Wiltshire sides	143,742	115,632	1,525	1,866	2,228	3,227
Bacon, including Cumberland sides	152,969	115,938	4,423	5,959	5,843	9,627
Lard	476,186	363,470	13,597	16,997	17,856	18,253
Pickled pork	14,288	15,122	240	233	374	315

Compiled from official records of the Bureau of Foreign and Domestic Commerce.
a/ Revised to December 31, including exports from all ports.
b/ Including wheat flour via Pacific ports.
c/ In terms of bushels of wheat.

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CANADA: Receipts of livestock at certain representative stockyards in western Canada a/, 1922 - 1925

Livestock	1922 b/	1923	1924	1925
	Number	Number	Number	Number
Cattle	715,363	555,327	629,155	812,190
Calves	[illegible]	58,424	67,448	96,654
Total	[illegible]	614,251	696,603	908,844
Sheep and lambs	[illegible]	134,062	123,800	106,338
Hogs	415,537	543,546	765,103	819,239

Compiled from Manitoba Free Press, January 9, 1926.
a/ Includes Union Stockyards at Winnipeg and St. Boniface, Calgary, Edmonton, and the Prince Albert Co-operative stockyards and the Moose Jaw Co-operative Stockyards. b/ Excludes receipts at Prince Albert co-operative stockyards where 5,558 cattle, 503 calves, 293 sheep and lambs and 15,014 hogs were received in 1923.

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PRICES: American apples in British markets, Wednesday, January 20, and Wednesday, January 13, and week ending January 24, 1925.

Variety and Grade	Origin	Market	Price: Wednesday Jan. 20, 1926	Price: Wednesday Jan. 13, 1926	Price: Wk. ending Jan. 24, 1925
			Per bbl.	Per bbl.	Per bbl.
York, A-2½	Virginia	Liverpool	8.75	9.23	a/7.21-7.69
A-2¼	"	"	8.15-9.24	7.89-8.74	
Ben Davis, A-2¼	"	"	6.32	6.08-6.80	
A-2¼	New York	"	---	5.83-5.95	
A-2¼	Maine	"	5.47-5.59	---	a/5.76-7.21
Yellow Newtowns, A-2¼	Virginia	"	8.27	---	a/7.45-7.81
Baldwin, A-2½	New York	"	---	6.07-6.31	
A-2¼	"	"	4.86-5.11	4.98-5.10	
Rhode Island Greenings					
A-2¼	"	"	7.29-7.66	7.28	a/7.93-8.53
			Per box	Per box	Per box
Yellow Newtown:					
Extra Fancy, 163/175	Oregon	Liverpool	3.65-3.71	3.52-3.76	b/3.36-3.72
" " 188/smaller	"	"	---	3.22-3.52	
Fancy, 163/175	"	"	3.40-3.59	3.46-3.58	b/2.88-3.12
" 188/smaller	"	"	---	3.28	
C-Grade, 163/175	"	"	3.04-3.10		b/2.40-2.88
Spitzenburg:					
Extra Fancy, 163/175	"	"	---	2.55-2.67	b/2.82-3.00
Extra " 188/smaller	"	"	---	2.51-2.55	
Fancy, 163/175	"	"	(F)2.37-2.49	2.42	
" 188/smaller	"	"		1.94-2.37	
C-Grade, 163/175	"	"	(F)2.01-2.07	---	b/2.04-2.88
Ortley:					
Extra Fancy, 163/175	"	"	---	3.40	
Delicious:					
Extra Fancy, 163/175	"	"	---	3.16-3.22	
Fancy, 163/175	"	"	---	3.10-3.16	

a/ All grades and sizes. b/ All sizes. (F) Fair condition.

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IRELAND: Number of pigs bought for curing by Irish bacon curers and number exported alive 1923- 1925

Fifty weeks (from beginning of year to:)	Total bought for curing	Exported alive	Total cured and exported
	Number	Number	Number
December 20, 1923	934,180	307,606	1,241,786
December 18, 1924	1,083,740	178,224	1,261,964
December 17, 1925	893,728	54,123	947,851

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BUTTER: Prices in London, Berlin, Copenhagen and New York,
(By weekly cable)

Market and item	January 15, 1926	January 22, 1926	January 22, 1925
New York, 92 score a/	43.50	45.00	37.50
Copenhagen, official quotation	36.58	36.46	40.08
Berlin, 1a, quality a/	33.47	35.66	b/
London:			
Danish	38.83	39.28	41.97
Dutch, unsalted	38.18	39.06	
New Zealand	37.96	37.93	33.83
New Zealand, unsalted	38.61	38.63	35.12
Australian	36.29	36.02	31.80
Australian, unsalted	36.23	36.98	33.19
Argentine, unsalted	30.37 - 33.84	32.56 - 33.86	28.69 - 31.69
Siberian	30.37 - 32.10	30.39 - 32.56	

Quotations converted at exchange of the day. a/ Thursday price. b/ Not received at that time.

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EUROPEAN LIVESTOCK AND MEAT MARKETS
(By weekly cable)

Market and item	Unit	Week ending January 13, 1926.	January 20, 1926	January 21, 1925
GERMANY:				
Receipts of hogs, 14 markets	Number	48,849	48,601	36,944
Prices of hogs, Berlin	$ per 100 lbs	18.48	16.21	14.15
Prices of lard, tcs.Hamburg.	"	17.59	17.66	18.32
UNITED KINGDOM AND IRELAND:				
Hogs, certain markets, England	Number	11,868	10,647	16,268
Hogs, purchases, Ireland	"	17,755		20,731
Prices at Liverpool:				
American Wiltshires	$ per 100 lbs	23.61	23.90	18.77
Canadian "	"	24.70	25.20	20.48
Danish "	"	27.73	27.59	26.02
Imports, Great Britain: a/				
Mutton, frozen	Carcasses	95,087		
Lamb, "	"	158,839		
Beef, "	Quarters	19,030		
Beef, chilled	"	182,201		
DENMARK:				
Exports, of bacon a/b/	100 lbs.	8,869		9,300

a/ Received through the Department of Commerce. b/ Week ending Tuesday preceding date indicated.

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